
Finance

MISSION STATEMENT

The mission of the Department of Finance is to prudently manage financial operations, recommend and implement sound fiscal policies, safeguard public assets, and encourage a safe environment on public property.

BUDGET OVERVIEW

The total approved FY16 Operating Budget for the Department of Finance is \$74,203,366, an increase of \$1,921,362 or 2.7 percent from the FY15 Approved Budget of \$72,282,004. Personnel Costs comprise 21.5 percent of the budget for 116 full-time positions, and a total of 125.93 FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 78.5 percent of the FY16 budget.

The Finance Operating Budget is comprised of a General Fund component (the Director's Office and the Divisions of Fiscal Management, Treasury and Controller) and the Division of Risk Management, which is funded by the Liability and Property Coverage Self-Insurance Fund. The total FY16 Operating Budget for the General Fund component is \$13,712,942 an increase of \$300,505 or 2.2 percent over the FY15 approved budget of \$13,412,437. Personnel Costs comprise approximately 84.9 percent of the General Fund budget for 106 full-time positions. A total of 95.81 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 15.1 percent of the budget.

The total FY16 Operating Budget for the Self-Insurance Fund component of Finance (Risk Management) is \$60,490,424, an increase of \$1,620,857 or 2.8 percent over the FY15 approved budget of \$58,869,567. Personnel Costs comprise approximately 7.1 percent of the Self-Insurance Fund budget for 10 full-time positions. A total of 30.12 FTEs includes these positions as well as any seasonal, temporary, and positions charged to or from other departments or funds. Operating Expenses account for the remaining 92.9 percent of the budget. Included in the total FTEs are 19.75 FTEs charged to the Self-Insurance Fund by the Office of the County Attorney and 0.37 FTEs charged by the General Fund component of Finance (Controller Division) for services provided in support of Risk Management.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

❖ ***A Responsive, Accountable County Government***

❖ ***Strong and Vibrant Economy***

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY15 estimates reflect funding based on the FY15 approved budget. The FY16 and FY17 figures are performance targets based on the FY16 approved budget and funding for comparable service levels in FY17.

ACCOMPLISHMENTS AND INITIATIVES

❖ ***Successfully retained the County's AAA bond rating from the three major credit rating agencies in the fall of 2014.***

❖ ***Sold \$500 million in GO Bonds and \$298 million in Refunding Bonds in November 2014 resulting in \$23 million in savings.***

❖ ***Released spendingMontgomery, a live database disclosing the County's spending information in a multidimensional format in December 2014.***

❖ ***Prepared an implementation plan and legislation to establish a Commercial Property Assessed Clean Energy (PACE) program. PACE will provide financing to commercial property owners for energy efficiency and renewable energy improvements. Finance will assist lenders and property owners by collecting the annual loan repayment on the County's property tax bill. This reduces the annual repayment cost for the property owner. It will provide greater***

security to lenders in terms of loan repayment, as well as potentially reduce interest costs for the borrower.

- ❖ **Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY14 Comprehensive Annual Financial Report (CAFR). This will be the 45th year for this achievement, longer than any other government in the United States and Canada.**
- ❖ **Conducted a claims management audit that returned an overall rating of 95% - the highest rating the program has achieved since the 1978 inception of the Self-Insurance Program. This was the result of a team of professionals who used a continuous improvement model for developing processes and procedures to improve efficiency and effectiveness of claim handling.**
- ❖ **Upgrade the MUNIS tax billing system to enhance the efficiency of the collection of \$2 billion in County and municipal revenues.**
- ❖ **Investigate and solicit the purchase and implementation of a Risk Management Information System in order to provide program management statistics and information to be utilized by Risk Management and the various department, division, and agency representatives responsible for managing their programs.**
- ❖ **Productivity Improvements**
 - **In FY15, began conducting an enterprise wide assessment to ensure adherence to Payment Card Industry and National Automated Clearing House Association guidelines.**
 - **In FY15, the Controller's Division initiated and will continue to implement and enhance a Shared Services Model with other County departments for both Accounts Receivable and Accounts Payable activities.**
 - **Migrated the Tax Assessment System from a legacy Information Technology infrastructure to a more modern environment which leveraged automation, web browser access, and robust auditing.**
 - **Continued enhancement of the Volunteer Tracking Database web application.**
 - **Continued enhancement of the Self Inspection web application which expedites safety inspections.**

PROGRAM CONTACTS

Contact Nancy Moseley of the Department of Finance at 240.777.8886 or Jedediah Millard of the Office of Management and Budget at 240.777.2769 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Fiscal Management

This program provides effective management of County capital and operating funds and the fiscal analysis and issue management associated with master plan development, economic development, and legislative issues. It is also responsible for accurate revenue and economic forecasting, and publishing reports on economic and revenue analysis on a monthly and quarterly basis for dissemination to the County Council and public. The program's primary goal is to maintain the County's AAA General Obligation Bond debt rating, and to actively invest the County's working capital to minimize risk while generating maximum investment income. Program objectives related to debt and cash management include managing the timely and economic issuance of short- and long-term financial obligations; developing and maintaining strong rating agency and investor relations; preparing accurate and timely financing documents, including the County's Annual Information Statement; ensuring strict compliance with disclosure requirements; coordinating bond counsel review; providing high-quality consulting services for County agencies, managers, staff, elected officials, and residents on issues related to debt and cash management; and managing the County's relationship with the banking and investment community. Program objectives related to policy and fiscal projects include the proactive development of intergovernmental policy alternatives and recommendations, including necessary local and state legislation and regulations; fiscal and economic impact analysis for local and state legislation; fiscal impact analysis and effective management associated with the financing and implementation aspects of Master and Sector Plans; and high quality financial consulting services for County agencies, managers, staff, elected officials, and residents.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Bond Rating - Rating given to Montgomery County by Fitch, Moody's, and Standard and Poor's (Bond ratings are a measure of the quality and safety of a bond and are based on the issuer's financial condition)	AAA	AAA	AAA	Expected	Expected
Interest Rate - True Interest Cost for Montgomery County General Obligation Bonds (the most common debt instrument used by the County)	2.3	3.1	2.7	4.0	5.0

	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Interest Rate Benchmarking - County GO vs. Municipal Market Data Index (basis point spread)	-22	-6	-10	-10	-10
Investment Return - Rate of return on Montgomery County's investments	0.16%	0.15%	0.17%	0.65%	1.25%
Investment Return Benchmarking - County Return vs. S&P Local Government Investment Pool Index (basis point spread)	8	10	10	10	10
Revenue forecasting - Percent variance between actual revenue and projected revenue	1.95%	3.26%	-1.00%	0.00%	0.00%

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	1,197,240	8.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	184,457	1.00
FY16 Approved	1,381,697	9.00

Information Technology

This program provides planning, direction, and support for finance and core business systems, technology, and business processes to support effective and efficient achievement of the Department's mission. Activities are proactively coordinated with the Department of Technology Services, other County departments, vendors, and Department staff to ensure consistency of Department systems and financial controls with countywide automation policies and standards and with appropriate financial control standards. The program oversees and coordinates business requirements analysis, development, selection, procurement, implementation, maintenance, administration, security, and training on and reporting from, the Finance Department's automated systems and applications. This program is also responsible for managing data integrity associated with daily and year-end processing, providing timely response to customer questions and proactive troubleshooting of financial transaction issues, supporting continuity of Finance Department business operations, managing service contracts and vendor relationships, and providing responses to FOIA-related and auditor requests of Finance.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	1,358,833	4.00
Decrease Cost: MCTime- funds designated for short-term loans to purchase hardware, software and licenses.	-90,240	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	344	0.00
FY16 Approved	1,268,937	4.00

Accounts Payable

This program is responsible for timely and accurate payments to vendors for goods and services provided to the County; complying with County policies and procedures; and carrying out State and Federal reporting requirements. Payments to vendors are initiated and approved by individual departments. The Accounts Payable program is responsible for review and final approval of payments of \$10,000 or more, as well as most refunds and other non-expenditure disbursements. Payments under \$10,000 are individually reviewed and approved by operating departments subject to post-payment audit by Accounts Payable.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Procurement Card rebate revenue generated	264,320	467,129	475,000	475,000	475,000

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	831,657	9.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	172,895	1.00
FY16 Approved	1,004,552	10.00

Accounts Receivable

This program is responsible for the timely receipt and accounting for monies due to the County from residents, businesses, and government agencies. In conjunction with the implementation of the Enterprise Resource Planning (ERP) system and associated best practices, this program provides for development of standardized policies and procedures, and provision of services including invoicing/billing, collection, accounting, reconciliation, and reporting reconciliation of monies due. This program will provide greater accountability through improved reporting, enhanced tracking of payment trends, and increased opportunities for maximizing collectibility.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	702,639	7.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	51,852	0.00
FY16 Approved	754,491	7.00

General Accounting

This program is responsible for the analysis, interpretation, and presentation of the County's financial position and results of operations through timely, accurate, and professional financial reports. These reports provide public assurance as to the accountability and integrity of the use of County resources; adherence to budgetary policies established by management; and compliance with Federal, State, and County mandates. The program prepares the Comprehensive Annual Financial Report, Debt Service Booklet, as well as numerous other standardized and specialized reports. This program also provides high quality, timely service to County departments through analysis and technical assistance and through preparation, review, and approval of financial transactions.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting ¹	Received	Received	Expected	Expected	Expected

¹ The County has been awarded this certificate more times than any other county in the nation (FY14 = 45 times).

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	1,936,465	17.81
Decrease Cost: Chargeback to Department of Liquor Control for preparation of year-end financial statements	-41,730	-0.50
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	-175,556	-2.00
FY16 Approved	1,719,179	15.31

Grants Accounting

This program is responsible for the analysis, interpretation, and presentation of the County's financial position relating to grants through timely, accurate, and professional financial reports. These reports provide public assurance as to the accountability and integrity of the use of Federal, State, and other outside resources; adherence to budgetary policies established by management; and compliance with Federal, State, and County mandates. The program prepares the Single Audit Report on expenditures of Federal awards, and State Uniform Financial Report, as well as numerous other standardized and specialized reports. This program also provides high quality, timely service to County departments through analysis and technical assistance; and through preparation, review, and approval of grant financial transactions.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	565,365	5.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	18,430	0.00
FY16 Approved	583,795	5.00

Payroll

This program is responsible for managing and maintaining the County's payroll system and functions as prescribed by Federal, State, and County laws, and local regulations. The program provides timely and accurate payroll disbursements to County employees, accounts for payroll deductions, issues W-2 statements to account for pre-tax and post-tax benefits, maintains official payroll and leave records, and responds to internal and external inquiries. The program proactively operates in conjunction with other County departments to maintain and develop efficient and effective improvements to the personnel/payroll and electronic timekeeping systems.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Pension and Long-term Disability (LTD2) Payroll Payments Processed ¹	65,000	65,000	66,000	66,500	67,000

¹ FY13 First year pension and Long-term Disability (LTD2) payroll payments were processed in-house.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	879,563	8.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	37,914	0.00
FY16 Approved	917,477	8.00

Tax Operations

This program is responsible for the timely and accurate collection and processing of all County administered taxes, including property taxes (which are the County's largest revenue source), transfer and recordation taxes (relating to real property transfers and recordation of instruments of writing), and several excise taxes (fuel/energy, telephone, hotel/motel). The program is also responsible for the administration of the County's Working Families Income Supplement program, the Public Advocate for Assessments and Taxation (Public Advocate) program, and numerous tax credit, deferral, and assistance programs. The property tax portion of this program provides the calculation and distribution of tax bills; accounting and distribution of tax collections to the State of Maryland, municipalities, and other entities; collection of delinquent accounts through the tax lien sale process; and communication of and access to tax and account information by attorneys and title companies for preparation of property settlements; and customer service assistance to the public for complex tax-related matters and issues. The transfer and recordation tax portion of this program ensures that all other taxes, fees, and charges associated with the property tax account are paid in full prior to recording of the deed for that property by the State of Maryland. The Public Advocate program provides an independent review of State-determined property assessment valuations for fairness and accuracy and, therefore, protects the public interest by acting on behalf of the taxpayers and the County.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Property tax accounts billed	365,495	366,847	367,000	367,000	367,000

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	2,011,672	20.35
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	189,557	1.00
FY16 Approved	2,201,229	21.35

Treasury Operations

This program is responsible for providing coordination and oversight of treasury operations and customer services through the cashiering function. All money received by the County, directly through the Treasury cashiering operation, from other County agencies, or through the internet and bank lockbox operation, is processed, administered, and recorded in a timely fashion in the County's accounting system. This program handles property, transfer and recordation, and excise taxes; fines and fees; and offers specific employee services, such as the fare media pass. Functioning as a banking operation, the tellers are a primary provider of person-to-person customer service to County residents.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Cashier transactions processed	40,208	35,730	35,000	35,000	35,000

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	315,935	4.15
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	16,144	0.00
FY16 Approved	332,079	4.15

Insurance

The Montgomery County Self-Insurance Program, established under County Code 20-37, provides comprehensive property and casualty insurance for the County and participating agencies. The program is funded through contributions from the agencies, which are based upon an annual actuarial analysis of outstanding and projected future claims filed against the participants. The program provides accurate and timely insurance and risk management advice to participating agencies and reduces County and participating agency exposure to risk by: comparing the cost of commercially available coverage to evaluate the best method of funding exposure to loss; transferring contractual risk under indemnification/hold harmless agreements; avoiding risk; operating proactive safety programs; and purchasing commercial insurance policies.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Number of contract review actions to ensure adequate insurance coverage and compliance ¹	7,389	7,460	7,500	7,500	7,500
Workers Compensation - Cost per \$100 of payroll	\$3.16	\$3.50	\$3.34	\$3.37	\$3.37
Workers Compensation - Number of Montgomery County Government cases resulting in lost work time	513	499	544	596	647

¹ Measurement of contract review actions consist of: Mandatory Insurance Requirements issued; Certificates of Insurance approved; and email responses requesting clarification, corrections or additional information. Contracts include Amendments, RFPs, IFBs, Leases, Right-of-Entry Agreements, MOUs, License Agreements, Bridge Contracts, DPOs, Business Associate.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	55,065,455	4.00
Increase Cost: Claims Expense	597,000	0.00
Increase Cost: Commercially Purchased Property and Casualty Insurance	375,000	0.00
Increase Cost: Claims Service Contract Administrative costs	230,883	0.00
Increase Cost: Professional Service - Claims Audit Contract	40,000	0.00
Increase Cost: Workers Compensation Payroll Tax	6,600	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	33,295	0.00
FY16 Approved	56,348,233	4.00

Occupational Safety and Health

This program coordinates reporting to Federal and State regulatory agencies on health and safety issues. The State-required injury reports and the mandated safety training and record keeping are completed on schedule. The program responds promptly to inspections and queries from the Maryland Occupational Safety and Health Administration. Accident prevention programs are conducted, and training is provided continuously in loss prevention and loss control to promote a safe and healthy work environment for County employees.

Program Performance Measures	Actual FY13	Actual FY14	Estimated FY15	Target FY16	Target FY17
Training classes conducted by Safety and Health Specialists ¹	68	93	100	125	150

¹ FY13 implemented a "Train-the-Trainer" program for Fleet Management

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	571,809	3.00
Increase Cost: Motor Pool Rate Adjustment	7,178	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	32,840	0.00
FY16 Approved	611,827	3.00

Legal Services

This program funds activities of the Office of the County Attorney, which provides legal services including investigation, negotiation, and litigation on behalf of the County and agencies that participate in the Self-Insurance Program.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	2,633,229	20.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	220,960	-0.25
FY16 Approved	2,854,189	19.75

Operations and Administration

This program includes operational support for the Department as well as the administrative portions of the Director's Office, the Division of the Controller, the Treasury Division, and the Division of Risk Management. The program provides support for efficient, effective, and timely accomplishment of the Department's mission, including budget development and oversight, personnel administration, strategic planning, and contract administration. The program provides high quality consulting services for County agencies, managers, staff, elected officials, and residents.

FY16 Approved Changes	Expenditures	FTEs
FY15 Approved	4,212,142	15.37
Increase Cost: MCtime - contractual services for annual maintenance and support	15,240	0.00
Increase Cost: Retiree Health Insurance Pre-Funding Adjustment	4,670	0.00
Decrease Cost: Printing and Mail	-992	0.00
Shift: Chargeback for Billing, Collection and Processing Services for Non-Tax Supported Funds	-3,900	0.00
Decrease Cost: Printing and Mail	-11,512	0.00
Decrease Cost: Contractual Resources: Indirect Cost Analysis and Services	-40,000	0.00
Decrease Cost: Delay Implementation of Property Tax Billing IT Application	-40,000	0.00
Decrease Cost: Contractual Services - Payroll	-124,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	214,033	0.00
FY16 Approved	4,225,681	15.37

BUDGET SUMMARY

	Actual FY14	Budget FY15	Estimated FY15	Approved FY16	% Chg Bud/App
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	6,906,911	8,441,163	7,947,571	8,919,005	5.7%
Employee Benefits	2,537,435	2,529,612	2,764,859	2,728,497	7.9%
County General Fund Personnel Costs	9,444,346	10,970,775	10,712,430	11,647,502	6.2%
Operating Expenses	2,652,691	2,441,662	2,684,831	2,065,440	-15.4%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	12,097,037	13,412,437	13,397,261	13,712,942	2.2%
PERSONNEL					
Full-Time	113	116	116	106	-8.6%
Part-Time	1	0	0	0	—
FTEs	94.31	95.31	95.31	95.81	0.5%
REVENUES					
Miscellaneous Revenues	466,521	496,700	475,000	475,000	-4.4%
Other Charges/Fees	244,566	253,680	243,480	244,360	-3.7%
Other Fines/Forfeitures	29,814	50,000	15,000	15,000	-70.0%
Other Intergovernmental	156,462	149,680	149,680	141,220	-5.7%
County General Fund Revenues	897,363	950,060	883,160	875,580	-7.8%
SELF INSURANCE INTERNAL SERVICE FUND					
EXPENDITURES					
Salaries and Wages	2,784,178	2,944,729	2,944,731	3,265,501	10.9%
Employee Benefits	945,217	981,499	981,497	1,021,245	4.0%
Self Insurance Internal Service Fund Personnel Costs	3,729,395	3,926,228	3,926,228	4,286,746	9.2%
Operating Expenses	49,212,148	54,943,339	54,943,339	56,203,678	2.3%
Capital Outlay	0	0	0	0	—
Self Insurance Internal Service Fund Expenditures	52,941,543	58,869,567	58,869,567	60,490,424	2.8%
PERSONNEL					
Full-Time	10	10	10	10	—
Part-Time	0	0	0	0	—
FTEs	30.37	30.37	30.37	30.12	-0.8%
REVENUES					
Investment Income	88,614	65,810	162,780	632,940	861.8%
Miscellaneous Revenues	656,087	0	1,000,000	0	—
Self Insurance Revenues	65,843,710	69,489,767	68,489,767	65,803,243	-5.3%
Self Insurance Internal Service Fund Revenues	66,588,411	69,555,577	69,652,547	66,436,183	-4.5%
DEPARTMENT TOTALS					
Total Expenditures	65,038,580	72,282,004	72,266,828	74,203,366	2.7%
Total Full-Time Positions	123	126	126	116	-7.9%
Total Part-Time Positions	1	0	0	0	—
Total FTEs	124.68	125.68	125.68	125.93	0.2%
Total Revenues	67,485,774	70,505,637	70,535,707	67,311,763	-4.5%

FY16 APPROVED CHANGES

	Expenditures	FTEs
COUNTY GENERAL FUND		
FY15 ORIGINAL APPROPRIATION	13,412,437	95.31
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: FY16 Compensation Adjustment	370,503	0.00
Increase Cost: Annualization of FY15 Personnel Costs	136,491	1.00
Shift: Enterprise Resource Planning (ERP) staff support from Capital Improvement Program (CIP) to Operating budget (eleven positions are transferred to the Department of Technology Services)	53,378	0.00
Increase Cost: Retirement Adjustment	45,706	0.00
Increase Cost: Group Insurance Adjustment	30,569	0.00
Increase Cost: MCTime - contractual services for annual maintenance and support [Operations and Administration]	15,240	0.00
Shift: Chargeback for Billing, Collection and Processing Services for Non-Tax Supported Funds [Operations and Administration]	-3,900	0.00
Decrease Cost: Printing and Mail [Operations and Administration]	-11,512	0.00
Decrease Cost: Contractual Resources: Indirect Cost Analysis and Services [Operations and Administration]	-40,000	0.00
Decrease Cost: Delay Implementation of Property Tax Billing IT Application [Operations and Administration]	-40,000	0.00
Decrease Cost: Chargeback to Department of Liquor Control for preparation of year-end financial statements [General Accounting]	-41,730	-0.50
Decrease Cost: MCTime- funds designated for short-term loans to purchase hardware, software and licenses. [Information Technology]	-90,240	0.00
Decrease Cost: Contractual Services - Payroll [Operations and Administration]	-124,000	0.00
FY16 APPROVED:	13,712,942	95.81
SELF INSURANCE INTERNAL SERVICE FUND		
FY15 ORIGINAL APPROPRIATION	58,869,567	30.37
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Claims Expense [Insurance]	597,000	0.00
Increase Cost: Commercially Purchased Property and Casualty Insurance [Insurance]	375,000	0.00
Increase Cost: Claims Service Contract Administrative costs [Insurance]	230,883	0.00
Increase Cost: Annualization of FY15 Personnel Costs	181,266	-0.25
Increase Cost: FY16 Compensation Adjustment	148,572	0.00
Increase Cost: Professional Service - Claims Audit Contract [Insurance]	40,000	0.00
Increase Cost: Retirement Adjustment	21,950	0.00
Increase Cost: Group Insurance Adjustment	8,730	0.00
Increase Cost: Motor Pool Rate Adjustment [Occupational Safety and Health]	7,178	0.00
Increase Cost: Workers Compensation Payroll Tax [Insurance]	6,600	0.00
Increase Cost: Retiree Health Insurance Pre-Funding Adjustment [Operations and Administration]	4,670	0.00
Decrease Cost: Printing and Mail [Operations and Administration]	-992	0.00
FY16 APPROVED:	60,490,424	30.12

PROGRAM SUMMARY

Program Name	FY15 Approved		FY16 Approved	
	Expenditures	FTEs	Expenditures	FTEs
Fiscal Management	1,197,240	8.00	1,381,697	9.00
Information Technology	1,358,833	4.00	1,268,937	4.00
Accounts Payable	831,657	9.00	1,004,552	10.00
Accounts Receivable	702,639	7.00	754,491	7.00
General Accounting	1,936,465	17.81	1,719,179	15.31
Grants Accounting	565,365	5.00	583,795	5.00
Payroll	879,563	8.00	917,477	8.00
Tax Operations	2,011,672	20.35	2,201,229	21.35
Treasury Operations	315,935	4.15	332,079	4.15
Insurance	55,065,455	4.00	56,348,233	4.00
Occupational Safety and Health	571,809	3.00	611,827	3.00
Legal Services	2,633,229	20.00	2,854,189	19.75
Operations and Administration	4,212,142	15.37	4,225,681	15.37
Total	72,282,004	125.68	74,203,366	125.93

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY15		FY16	
		Total\$	FTEs	Total\$	FTEs
COUNTY GENERAL FUND					
CIP	CIP	1,593,724	12.00	140,943	1.00
Community Use of Public Facilities	Community Use of Public Facilities	6,380	0.04	6,670	0.04
Environmental Protection	Water Quality Protection Fund	376,376	3.20	385,313	3.20
General Services	Printing and Mail Internal Service Fund	6,020	0.05	6,210	0.05
Human Resources	Employee Health Benefit Self Insurance	101,260	0.75	108,490	0.75
Human Resources	Retiree Health Benefits	39,920	0.25	41,690	0.25
Liquor Control	Liquor Control	0	0.00	41,730	0.50
NDA - Mont. County Employee Retirement Plans	BIT 457 Deferred Comp. Plan	4,790	0.03	5,000	0.03
NDA - Mont. County Employee Retirement Plans	Employee Retirement System	59,090	0.37	61,710	0.37
NDA - Mont. County Employee Retirement Plans	Retirement Savings Plan	11,170	0.07	11,680	0.07
NDA - Mont. County Employee Retirement Plans	RSP-Disability Benefits LTD2	25,550	0.16	26,690	0.16
Parking District Services	Bethesda Parking District	64,707	0.70	68,551	0.71
Parking District Services	Montgomery Hills Parking District	6,949	0.05	7,177	0.05
Parking District Services	Silver Spring Parking District	56,798	0.52	59,033	0.52
Parking District Services	Wheaton Parking District	15,267	0.13	15,571	0.12
Permitting Services	Permitting Services	11,070	0.10	11,340	0.10
Solid Waste Services	Solid Waste Collection	90,610	0.34	91,070	0.34
Solid Waste Services	Solid Waste Disposal	218,990	2.38	221,600	2.38
Transportation	Vacuum Leaf Collection	81,491	0.23	82,110	0.23
Total		2,770,162	21.37	1,392,578	10.87

FUTURE FISCAL IMPACTS

Title	APPR.			(\$000's)		
	FY16	FY17	FY18	FY19	FY20	FY21
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY16 Approved	13,713	13,713	13,713	13,713	13,713	13,713
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	63	63	63	63	63
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Contractual Resources for Indirect Cost Analysis and Services	0	40	0	40	0	40
Indirect Cost Analysis through contract.						
Property Tax Billing IT Application	0	40	40	40	40	40
Delayed moving an IT system to the cloud, an FY16 budget reduction.						
Kronos Annual Maintenance and Support	0	16	32	49	66	66
Kronos annual maintenance and support is a contractual obligation with a 3% cap increase per year based on the current contract, expiring December 31, 2018.						
Subtotal Expenditures	13,713	13,872	13,848	13,904	13,881	13,921
SELF INSURANCE INTERNAL SERVICE FUND						
Expenditures						
FY16 Approved	60,490	60,490	60,490	60,490	60,490	60,490
No inflation or compensation change is included in outyear projections.						
Labor Contracts	0	26	26	26	26	26
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
Professional Services - Claims Audit Contract	0	-40	0	-40	0	-40
The Claims Audit is conducted every other year and is not needed in odd years.						
Retiree Health Insurance Pre-funding	0	0	-2	-4	-5	-6
These figures represent the estimated cost of pre-funding retiree health insurance costs for the County's workforce.						
Subtotal Expenditures	60,490	60,477	60,515	60,473	60,512	60,471

